



NEWS RELEASE

PRESS OFFICE

Release Date: Sept. 24, 1998 **Contact:** Carol Chastang (202) 205-6987

Release No: 98-81

News Release Internet Address: www.sba.gov/news/

SBA READY TO AID PUERTO RICO DISASTER VICTIMS

WASHINGTON – Long-term recovery assistance for victims of Hurricane Georges is now available through the U.S. Small Business Administration’s disaster loan program, SBA Administrator Aida Alvarez said today in Puerto Rico.

“ Puerto Rico is my home, and I appreciate the President’s deep concern and quick action for those who lost so much during the hurricane,” said Alvarez.

Today President Clinton declared Puerto Rico a federal disaster area in the aftermath of the devastation caused by Hurricane Georges’ 110 mile per hour winds and torrential rains. Island residents may now apply for SBA low-interest disaster loans. SBA disaster staffers from Niagara Falls, New York, have already arrived in Puerto Rico to help disaster victims begin the recovery process.

Loan officers, damage inspectors and support staff from SBA disaster offices in Atlanta, Ga., Fort Worth, Texas and Sacramento, Calif., will travel within the next few days to support the team from Niagara Falls. **“ SBA is the nation’s bank in times of disaster, and we will make sure the disaster victims rebound quickly from this devastation,”** said Alvarez.

Island residents whose homes or businesses suffered losses are urged to call the Federal Emergency Management Agency (FEMA) at (800) 462-9029 to begin the process for federal disaster assistance. SBA staffers are available to answer questions about SBA disaster loans.

Homeowners, renters and businesses of all sizes may apply for SBA low-interest disaster loans. SBA can lend up to \$200,000 for uninsured losses to homes. Homeowners and renters may borrow up to \$40,000 to repair or replace personal property like furniture, clothing, and automobiles damaged during the disaster.

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Businesses of all sizes may borrow up to \$1.5 million to repair or replace real estate, machinery, inventory and other business assets damaged during the disaster. SBA also makes working capital loans to help small businesses cover expenses, even if the business was not physically damaged during the disaster. The maximum for these economic injury loans is \$1.5 million.

After Hurricane Hortense ripped through Puerto Rico in September, 1996, SBA approved over 5,625 disaster loans for \$40 million. So far this fiscal year SBA has made 29,104 disaster loans for \$708 million to disaster victims in the United States and overseas territories including Guam and the Northern Marianas Islands. For more information about SBA disaster loans call (800) 659-2955.

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The U.S. Small Business Administration, established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, the SBA is the nation's largest single financial backer of small businesses. Last year, the SBA offered management and technical assistance to more than one million small business owners. The SBA also plays a major role in the government's disaster relief efforts by making low-interest recovery loans to both homeowners and businesses. America's 23 million small businesses employ more than 50 percent of

the private workforce, generate more than half of the nation's gross domestic product, and are the principal source of new jobs in the U.S. economy.

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